



## **IRISH LIFE WEEKLY INVESTMENT BULLETIN**

***The week that was – WEEK 22 (ending 27/05/2016)***

**" There is man in his entirety, blaming his shoe when his foot is guilty." – Samuel Beckett**

**Irish retail sales show 5.1% annual rise** – Latest figures released by the Central Statistics Office (CSO) show the volume of retail sales increased by 0.8% in April when compared with March and there was an rise of 5.1% in the yearly figure. The Electrical Goods sector was best with a 8.0% monthly jump in April.

**Euro zone ministers hail 'breakthrough' with Greece / IMF debt deal** – The Eurogroup ministers agreed to releasing €10.3 billion in new funds and gave Greece a firm offer of debt relief in what the finance ministers called a breakthrough deal that won a commitment from the IMF to again taking part in the Athens bailout.

**Global stock market up 2.5% during the week** – Markets moved strongly higher since Monday, with the MSCI AC World Index up 2.5% from 23<sup>rd</sup> May to 27th May in local currency terms. The Eurozone stock market was particularly buoyant with a rise of 5.1% whereas the Japanese Nikkei was only up 1.1% in comparison.

**U.S. Q1 growth revised up to 0.8%** – The Commerce Department said that gross domestic product in the first quarter rose at a 0.8% annual rate as opposed to the 0.5% growth reported last month. This was still the weakest performance since Q1 2015. There are some signs the economy has regained momentum in April.

**Oil price hits \$50 a barrel for the first time in seven months** – Oil prices, battered after a slump since the summer of 2014, touched \$50 a barrel for the first time since late 2015. Prices are up 89% from a 13-year low hit in February, thanks primarily to supply disruptions in Canada and Africa, after the previous over-supply.

**Japan may delay tax hike to help avoid recession** – Prime Minister Shinzo Abe said he will consider postponing the consumption tax hike currently planned for next April to reduce the risk of a financial crisis. Japan slipped into recession the last time Abe's administration raised the rate from 5% to 8% in April 2014.

**The Story of the week:** A film clip showing Mike Senatore, a U.S. high school student, tossing a partially-filled bottle of water into the air and it landing perfectly upright on a table has now been viewed millions of times online and he has been invited to repeat his trick on high-profile TV shows including Good Morning America and the Late Show.

### **DISCLOSURE:-**

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## Index Performances and Market Data\*

<b>Equity Markets % (in Local Currency)</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016 YTD (to 27/05)</b>
ISEQ Overall Return	2.6	20.5	35.8	16.8	33.6	-3.3
FTSE 100 TR	-2.2	10.0	18.7	0.7	-1.3	2.5
Euro Stoxx 50 TR	-14.1	18.1	21.5	4.0	6.4	-3.8
S&P 500 TR	2.1	16.0	32.4	13.7	1.4	3.7
Nasdaq Composite	-1.8	15.9	38.3	13.4	5.7	-1.5
Nikkei 225	-17.3	22.9	56.7	7.1	9.1	-11.6
MSCI Emerging Markets	-14.9	13.9	0.9	2.6	-8.0	1.0
MSCI World	-7.6	13.1	26.2	7.7	0.2	-0.5
<b>Sovereign 10yr Bond Yields (%)</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016 YTD</b>
U.S.	1.9	1.7	3.0	2.2	2.2	1.8
German	1.8	1.4	1.9	0.5	0.6	0.2
UK	2.0	1.9	3.0	1.9	1.9	1.4
Japan	1.0	0.7	0.7	0.3	0.2	-0.1
Ireland	8.4	4.5	3.4	1.3	1.1	0.8
Italy	7.1	4.6	4.1	2.1	1.6	1.4
Greece	31.7	12.7	8.2	9.6	7.9	7.0
Portugal	13.4	6.9	6.1	2.7	2.5	3.0
Spain	5.1	5.4	4.1	1.6	1.7	1.5
<b>Central Bank Rates (%)</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016 YTD</b>
ECB	1	0.75	0.25	0.05	0.05	0.0
Bank of England	0.5	0.5	0.25	0.50	0.50	0.50
U.S. Federal Reserve	0.25	0.25	0.25	0.25	0.50	0.50
<b>Foreign Exchange Rates</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016 YTD</b>
Euro/Dollar (€/\$)	1.30	1.31	1.37	1.21	1.09	1.11
Euro/Sterling (€/£)	0.83	0.81	0.83	0.78	0.75	0.76
Sterling/Dollar (£/\$)	1.55	1.61	1.65	1.56	1.46	1.46
<b>IPD All Property Return (%)</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Ireland	-2.4	3.1	12.7	40.1	25.0	2.9 (to end of Q1)
U.K.	8.1	2.7	10.7	17.8	13.1	1.1 (to end of Q1)
U.S.	14.5	5.3	11.4	11.2	12.1	2.1 (to end of Q1)

\*Past performance is not a reliable guide to future performance